

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

MAIL PROCESSING NETWORK RATIONALIZATION
SERVICE CHANGES, 2011

Docket No. N2012-1

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CITY OF NEW ORLEANS INTERROGATORIES
(CNO/USPS-1 THROUGH 4)
(March 15, 2012)**

The United States Postal Service provides an institutional response to the above-listed interrogatory of City of New Orleans dated February 24, 2012. The interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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March 15, 2012

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CITY OF NEW ORLEANS INTERROGATORY**

CNO/USPS-1: Please refer to page 34 of USPS-T-3, row 333 of the spreadsheet provided in USPS Library Reference N2012-1/34, and the September 15 “study list.”

- (a) Please confirm that the New Orleans Processing and Distribution Facility was identified as an activated facility in witness Rosenberg's model. If not confirmed, please explain fully.
- (b) Please provide technical and plain English definitions of “activated facility” as used in witness Rosenberg's testimony.
- (c) Please confirm that the New Orleans Processing and Distribution Facility was identified as a “study site” on the September 15 study list.
- (d) Please identify all facilities that were both (i) identified as activated facilities in witness Rosenberg's model and (ii) on the September 15 study list.
- (e) Please explain fully why the Postal Service decided to include the New Orleans Processing and Distribution Facility as a study site on the September 15 study list despite being identified as an activated facility in witness Rosenberg's model. In particular, please identify:
 - (i) all employees involved in making the decision;
 - (ii) the date the decision was made; and (iii) the rationale for the decision.

RESPONSE:

- (a) Confirmed.
- (b) "Activated facility" means ZIP Codes were assigned to the mail processing site.

Thus the active facility would have mail processing responsibilities in the preliminary network concept produced by the model.
- (c) Confirmed.
- (d) The sites listed below meet the following two criteria:
 - (1) In USPS Library Reference N2012-1/34, Column F equals “Y” and
 - (2) Included on the September 15th list as being studied as closures.

South Jersey NJ P&DC
Brooklyn NY P&DC
Northern NJ Metro P&DC
Middlesex Essex MA P&DC

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CITY OF NEW ORLEANS INTERROGATORY**

RESPONSE to CNO/USPS-T3-1 (continued)

Central Mass MA P&DC
Western Nassau NY P&DC
Northwest Boston MA P&DF
White River Junction VT P&DC
New Orleans LA P&DC

- (e) See pages 19-20 of USPS-T-3, which explain that witness Rosenberg's modeling was only intended to create a hypothetical network concept that would serve as a starting point from which postal Headquarters and Area office mail processing and transportation management experts would discuss the potential feasibility of consolidating different Processing & Distribution Centers in each administrative Area. Based on their collective judgment, expertise and knowledge of network and local operations, they used witness Rosenberg's modeling outputs to determine which potential consolidation opportunities to subject to the detailed feasibility review process reflected in the Area Mail Processing guidelines in USPS Handbook PO-408. These consolidation candidate determinations resulted from teleconferences conducted in July 2011. Headquarters participants would have included the Vice President of Network Operations and various subordinate mail processing and transportation managers who either participated directly or were consulted. Area Office participants would have included the Area Vice President and various subordinate mail processing and transportation managers who either participated directly or were consulted. As deemed necessary, some consultations also extended to include District level management officials.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CITY OF NEW ORLEANS INTERROGATORY**

CNO/USPS-2

Please identify by title, subject matter, author, geographic location and date (at a minimum) all Area Mail Processing studies that have been conducted on the New Orleans Processing and Distribution Facility. For each identified AMP study, indicate whether the study was performed as part of the proposed Mail Processing Network Rationalization initiative.

RESPONSE

As part of the Mail Processing Network Rationalization initiative, the Southwest Area office was originally directed by Headquarters to initiate an AMP study of the feasibility of consolidating only the originating operations at the New Orleans plant. Before that study was completed, it was determined that consolidation opportunity subjected to review should instead include both the originating *and destinating* operations at the New Orleans P&DF. Accordingly, the Area office initiated such as study, which was vetted for final decision as part of the same initiative.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CITY OF NEW ORLEANS INTERROGATORY**

CNO/USPS-3

For each study identified in CNO/USPS-2 above, please identify and describe:
Factor(s) that may have contributed to the decision to study the New Orleans Processing and Distribution Facility;

- (a) Results of the study;
- (b) Whether the study considered consolidating or closing the facility with respect to originating mail, destinating mail, or both;
- (c) Any data or analysis that may suggest that the New Orleans Processing and Distribution Facility should not be consolidated or closed;
- (d) Whether and to what extent the study considered and/or analyzed the cost of relocating existing retail and business services located within the New Orleans Processing and Distribution Facility; and
- (e) Projected or estimated cost savings that may be realized by closing or consolidating the New Orleans Processing and Distribution Facility, if any.
- (f) Key assumptions used to estimate the cost savings that may be realized by closing or consolidating the New Orleans Processing and Distribution Facility.
- (g) All assumptions regarding expected changes in productivity that would result from closing or consolidating the New Orleans Processing and Distribution Facility.

RESPONSE

The factors that contributed to the decision to study the New Orleans P&DF are those that led the Postal Service to examine consolidation of the mail processing network as a basis for implementing the service changes at issue in this docket. See, generally, USPS-T-1 and USPS-T-2.

- (a) A redacted copy of the New Orleans AMP decision package is included in USPS Library Reference N2012-1/73. An unredacted copy is included in USPS Library Reference N2012-1/NP16. Results are reflected therein.
- (b) The study analyzed a complete consolidation of the facility.
- (c) The Postal Service solicited and received public comments suggesting that the facility not be closed. Some of those comments could be characterized as including data. They were reviewed and considered as part of the AMP decision-making process. Summaries are attached.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CITY OF NEW ORLEANS INTERROGATORY**

RESPONSE to CNO/USPS-3 (continued)

- (d) It is assumed that the question relates to retail service or bulk mail entry operations at the New Orleans P&DF.
- (e-f) See the Library References cited in response to subpart (a).
- (g) In addition to the discussion of expected productivity improvements in USPS-T-4, see the New Orleans P&DF AMP file in the Library References cited in response to part (a).

NEW ORLEANS AMP Proposal Public Input Summary

Meeting Date: November 8, 2011

Location: City Hall, New Orleans, LA

USPS Presenter(s): Jeffery Taylor, District Manager;
Gilbert Romero, Acting Senior Plant Manager
McKinney Boyd, Communication Programs. Spec.

Number of Attendees: 137

Congressional Representation: 2

Media: 4 television stations, 1 newspaper

CATEGORIES OF COMMENTS *(indicate number of questions/comments by category)*

	Public Meeting	Written Comment
Service/Customer		
Collection Time Changes	x	
Customer Service Problems	x	
Delays in Service	x	
Increased Costs	x	
BMEU Entry Location/Bulk Rates	x	
Weather/Road Impact	x	
Community/Political		
Biohazard Threat		
Crossing State Lines		
Community Economic Impact	x	
Job Loss	x	
Loss of Postmark	x	
AMP Process		
Lack of Trust/Credibility	x	
Lack of Public Input	x	
Public Release of AMP Data	x	
Other	x	

New Orleans AMP Proposal Public Input Summary

SPECIFIC CONCERNS *(Use this format to list specific concerns voiced at the public meeting, by category. Please list every unique question or comment. See attached comments.*

Service/Customer

Collection Time Changes

- If you move from New Orleans, you will decrease the cost advantage. New Orleans moves 55% of all cargo in the state.
-
-

Customer Service Problems

- Customers complain about not being able to buy one stamp since the vending machines were removed.
-
-

Delays in Service

- What the Postal Service is doing flies in the face of progress being made by public entities and private enterprises.
-
-

Increased Costs

- The travel to Baton Rouge creates a hardship. It takes four hours on a bus, or you pay extravagant costs for fuel, or wear on your car. She will punch in wherever she has to, but she doesn't need another disaster after a disaster.
-
-

BMEU Entry Location/Bulk Rates

- As business customers, will we have to drop-off our mail in Baton Rouge, to get the same discount rates?
-
-

Weather/Road Impact

- There is one way to Baton Rouge, and one way back to New Orleans, and that is Interstate 10. When there is bad weather, what will happen to mail delivery?
-
-

Community/Political

Biohazard Threat

-
-
-

Crossing State Lines

-
-
-

Community Economic Impact

- The USPS needs to make a commitment to stay and keep the post office here and keep the jobs here.
-
-

Job Loss

- New Orleans Mayor said he wants to protect 880 postal jobs, and will do whatever to preserve the postal employment in New Orleans.
-
-

Loss of Postmark

- This is New Orleans. We want to continue to be represented as major city in the United States.
-
-

AMP Process

Lack of Trust/Credibility

- I don't trust the Postal Service, nor do I trust this study, and what it will represents to the people of New Orleans.
-
-

Lack of Public Input

- Will our input make a difference to the decision-makers in Washington?
-
-

Public Release of AMP Data

- When will be able to see the data, that was used to move the New Orleans plant to Baton Rouge?
-
-

Other

- More than 40 local dignitaries delivered statements at the Public Input Meeting; many were about the adverse impact New Orleans will experience, if the plant is moved to Baton Rouge.
-
-

Please attach to this summary all written comments, whether received before or after the public meeting, along with a copy of all Public Input Summary Sheets and send to the Area AMP Coordinator to give to the Area VP.

New Orleans P&DC – Public Meeting

November 8, 2011

I. Call to order

Meeting was called to order at 6:02 p.m. in the City Council Chambers of the New Orleans City Council. There were 320 persons in attendance.

II. Welcome

Mayor Mitch Landrieu welcomed and thanked everyone present for coming to discuss this important issue. He stated that, as this is not just a city, but a regional issue he would like to thank the John Young from Jefferson Parish and others who had come to give their input. He stated that the issues affecting Avondale, NASA, and USPS were about the region. He said that we are one team, and this is one fight. He reported that he had met with Mr. Taylor and Mr. Swartz and acknowledged that we are facing the same tough issues that the rest of the country is facing.

Landrieu stated that Mayors and Parish Presidents balance their budgets all the time, so he understands what the USPS is facing. However, our story – that of the Metropolitan area of New Orleans – is one that very few places in the country have experienced. The catastrophic losses: the impact of September 11 on tourism, Hurricanes Katrina, Rita, Ike and Gustav, the BP oil spill, loss of NASA. But New Orleanians are resilient. They have rebuilt their lives and have been an example to the rest of the country. The metropolitan area has partnered with the government to rebuild the region's infrastructure. We have spent hundreds of millions of dollars to rebuild our city. The NO P&DC is in the heart of a major economic development renovation. A \$45 million rail car expansion is being built at the very site of the plant. The Hyatt Regency adjacent is the newest renovated in the country. It is across the street from the Superdome that has just completed \$300 million in renovations. In scope, 1.8 million people live in a 50 mile radius around the PO – this has got to be the best place for processing.

New Orleans has partnered with Jefferson Parish and Kenner for a major renovation to the New Orleans' airport. A new terminal has just been added and also added 10 new passenger carriers and 37 additional non-stop flights. This is reminiscent of the Federal City issue – years ago there was a need to downsize the military, there was a study to close the bases in the NO area. The city government recognized the difficulties the armed services had, and together they have made NO the hub for the armed services premier federal facility. Landrieu said that we can do a similar thing for USPS. He is so serious that he has traveled to Washington, DC to speak to the postal executives so that they can give serious consideration to keeping the P&DC open.

Landrieu stated this is not just about economic development. He wants to protect these 880 jobs and stated that he is willing to do what needs to be done to protect

these citizens' jobs and lives. He believes he can do what the PO needs to be done in order for it to be happy and healthy to deliver the mail on time and have these people keep there jobs.

III. Statements from District Manager Jeffery Taylor and Communications Officer McKinney Boyd

IV. Input from Community

1) John Young, Jefferson Parish President

Mr. Young reminded the group that it is much easier to retain jobs than to create them. He also stated that as NO goes, so goes the region. NO has been through a lot these past 6 years. This city is poised on the road to come back. Each year the area improves. The USPS needs to make a commitment to stay and be part of the growth. Young emphasized that he stands united with the mayor – keep the PO here and keep the jobs here. Flood waters, crime, unemployment, and jobs do not respect parish boundaries. Employees who work in NO live and shop in Jefferson Parish.

2) Laverne Saulny Osira, statement from Mary Landrieu, Senator

Landrieu states that she is opposed to the closing and reminds the Postal officials that this decision will affect the entire community and that this meeting is important to have the community's questions answered and their comments heard.

3) Marlon Gusman, Civil and Criminal Sheriff of New Orleans

Mr. Gusman stated that he supports keeping the processing facility in New Orleans. He speaks as a man raised in a postal family – his father was a letter carrier and his brother currently works for the postal service. He said that he was looking at the paper on the study to move the PO, but where is the study for the other side – consolidating into New Orleans. He felt that this is not the answer to solving the PO's problems – the real difference is being able to react to changes in the marketplace. In that respect, the postal service is being handcuffed.

4) Rob Miller, CEO New Orleans Business Alliance

Mr. Miller stated that he heard the comments and understood that based on the data, the Postal Service is losing \$23 million per day. However, he supports keeping the Processing Center in New Orleans and feels that many factors were overlooked in the study and that given a complete analysis the management would understand why it should stay.

There has been a tremendous amount of investment in the area concerned. It would represent a tremendous loss and would impact the community greatly. There has been great public investment in the area: Streetcar –\$45 million, FEMA - \$5.9 billion in public assistance, the LSU medical/bio complex, Corps of Engineers, \$400 million in CEG funds. What the Postal Service is doing flies in the face of progress being made by public entities and

private enterprises. The Hyatt - \$243 million, right next door, \$185 million – Superdome renovations, \$100 million by the S. White development district.

Removing these jobs will be a real blow to the economy of a community that is coming back strong. Mr. Miller stated that the PO's study says they will save \$4 million. The NO Business Alliance has done it's own analysis:

This move will result in 1343 jobs lost in the area, this equates to \$86 million in direct and indirect earnings for the region. When this many jobs leave, there is a corresponding loss in government, hospitals, offices, lawyers, restaurants (\$500,000) for the entire region. Compared to these losses, \$4 million is peanuts. This population is growing at a phenomenal rate. We ask you to take another look.

5) *Stanley Taylor, Retired Postal Employee*

Mr. Taylor explained that one thing he learned from his military service is that you don't leave a man on the battlefield. He feels that the PO is leaving the employees on the battlefield. The employees came back after Hurricane Katrina and are committed to bringing this city back. The people making these decisions are not from here. The PO has been an employer with good benefits and he would like to see others in the future, such as veterans from Iraq and Afghanistan have a Postal Service job to look forward to. Mr. Taylor remarked that employees in New Orleans also benefit many nonprofits in the area, like CFC and that the Letter Carrier Food Drive here collects more than any other city.

6) *Ichthamael Ahmed, Aviation Board Director*

Mr. Ahmed opposes the move to Baton Rouge and stated that he did not feel the airport was considered. He feels that the move is not good for the PO or for Louisiana. The Postal Service is in the business of delivering the mail on time, not in saving money. The airport (MSY) has recently added 10 new passenger airlines. Facilitating cargo is one of the functions of an airport. MSY is Louisiana's biggest airport and 80% of all passengers to LA come through there - along with the significant portion of mail and freight – over 2 million pounds. Therefore, the unit cost of cargo is decreased due to economy. If you move from MSY you will decrease the cost advantage. MSY moves 55% of all cargo in the state. The mail is time sensitive. MSY has 3945 departures per month that is 127 per day. This can help you meet delivery times. The Baton Rouge airport has no cargo area. It handles .0002% of total cargo in LA. Moving to BR will decrease the reach of USPS. The abundance of non-stop flights is not available any other place in LA.

These disadvantages should be considered in the move. These result in a long term lower cost in unit cost per pound because of greater frequency, and more cities served. Mr. Ahmed reports that they have recently improved the ground field. Taking away the plant will result in their loss of grants. The sum of the parts of this situation is greater than the whole. The airport has better visibility (0/0 ratio). The runway is 10,104 feet long and is inspected 5 times per day. No other airport compares in safety and manpower. Mr. Ahmed implored

the USPS to discuss this with NO business people, let him help them. Tell us a number, we want to help.

7) *Helena Henderson, New Orleans Bar Association*

Ms. Henderson states that the Bar Association is opposed to this closure. New Orleans contains the majority of the courts and lawyers in the state. Lawyers use regular and special services daily and rely on the proximity of the NO office to its offices and the courts. Next day service is crucial to the legal profession. Immediate communications by mail are crucial to the fabric of the legal system – don't unweave that. There are over 21,000 lawyers in the state and over half are in the metropolitan NO area. There are 9,000 downtown alone who rely on next day and daily mail service. "We put a stamp on it!!" "And let me tell you a secret – no one is reading emails. When we want someone to pay attention – we put a stamp on it!" This move will have an impact on the metropolitan New Orleans area for 10 years. The city will suffer. Please contribute to the wellbeing of the city.

8) *Doug Ruhne, citizen of Jefferson Parish*

Mr. Ruhne reported seeing a letter that a letter carrier wrote to the Times Picayune 10/05/11 describing the results of the Postal Accountability Act of 2006. He cannot believe that everyone is not up in arms demanding its repeal. This is the opposite of good management. This is retrogressive legislation. He cannot believe that it passed. The law should be repealed. Customers do not want the deterioration of the Postal Service – they want it to maintain. Two – three day delivery – no!! It is unbelievable that the Senate and Congress would condone this. Workers need better hours to compete with the other providers. FedEx and UPS stay open until 6:30 and 7:00 p.m. The Post Office closes at 5:00. Get more competitive.

9) *Matt Rucker, Greater New Orleans, Inc.*

Mr. Rucker represents a regional economic group that serves the Greater New Orleans area. They are opposed to this move and feel that it is directly opposed to every other federal investment in this area. The organization would like to work with USPS to retain and attract business to New Orleans. The population of the city is up 12% from 2006, 41% up in the surrounding areas. Despite the economy, New Orleans is experiencing increases. 40% up in entrepreneurship, the unemployment rate is 2% lower than nationally, there has been a comprehensive public and private investment in the city. Blade Dynamics has moved its headquarters here. Global Site Search – 1200 jobs. (Global Star, Northstar). Folgers closed 4 other sites and chose New Orleans to be the one to grow. NO is #2 in economic growth and has been named the biggest brain magnet. NO is #1 in competitiveness. NO is a growing economy with low costs. We have a culture of cooperation here between public and businesses.

From a private corporation perspective: how can you not invest in this area of growth? Work with us, we can help you solve your issues. This is what we have done in the past and can do for the USPS.

10) Aubry Watson, retired Manager, Distribution Operations

Mr. Watson stated that this is the biggest mistake he has ever seen in his 35 years experience as an MDO with the USPS. Mr. Watson stated that the move to Baton Rouge was tried after Katrina and it failed. It was proved that BR cannot handle the mail. He questioned how priority mail will be handled since FedEx cannot fly into BR. He stated that it was common sense to keep the processing in New Orleans where there are 28 bar codes sorters (2X the number in BR) and the plant is within walking distance of the interstate to the airport.

11) Tiger Hammond, AFL-CIO

Mr. Hammond first announced that he stands strong with the 880 employees who would be displaced with this move – against taking out the plant. He stated that Avondale has been saved and so can the Postal Service. After Katrina, the city has come back slowly, but the postal workers were here when no one was here, they were on the front line of rebuilding the city with the police and other first responders. The convention center, Superdome, etc., there was nothing but devastation. He shouted: Hell with Baton Rouge, we fought to come back, don't take the plant out! Mr. Hammond suggested that management go back to Congress and get the money back that the PO has paid into future benefits for people who have not even been born yet. He also mentioned that whenever you lose a job, you lose jobs around them. When 5000 jobs were lost, another 1400 jobs were lost around those. New Orleans has suffered devastation after devastation and those who fought so hard to come back don't deserve to lose their jobs now.

12) James McNamara, BioDistrict New Orleans

Mr. McNamara first stated that he is a family that uses the PO. He is here to represent a 1500 acre district that contains the VA and University Medical Center. They currently employ 7500 construction workers, 5500 other workers and plan on growing another 20,000 employees when the complex is complete. The mail relies on time sensitivity. He stated that to him the study was done by people far removed from this area that simply looked on a map and drew circles around the cities and realized that Lafayette was one hour from BR and New Orleans was one hour from BR, and then deduced that they both could be moved into Baton Rouge. McNamara then shouted that you cannot draw a circle around New Orleans! He suggested that instead of asking how much you can save – analyze how much you will lose by not being here. Please consider the rebound this will have, and the global interests that are coming here. You can get more traffic into your business if you become more aggressive and competitive.

Throw the circles away! New Orleans is the most significant city in LA and Southern Mississippi. There are 6-7 million visitors to New Orleans each year – you are leaving them for FedEx to serve. McNamara also offered to help anyway that he can to keep USPS here.

13) *Sam Lisbon, National Union Officer, APWU*

Mr. Lisbon said first that he is proud to be Postal and he would like to work together with management to find a way to work together so that we don't have to move the plant. In the negotiating the new contract, the union met the company halfway to save the Postal Service. We can do that here also. He stated that the other plants mentioned by Mr. Taylor – Lafayette, Texarkana – are smaller areas than New Orleans. Another point he emphasized was that nothing is being saved since there are currently employees from these facilities sitting on standby – being paid for not working because they cannot be excessed over 50 miles. Many more will be on standby pay if this is implemented, therefore there will be no savings. These are proud postal employees who want to be working, but won't because you cannot forcibly move them more than 50 miles – and Baton Rouge is over 50 miles. Mr. Lisbon reminded the audience that the PO does not receive tax dollars - all revenue is from postage. He feels that we should repeal HR1351 and have Congress give the money back that we have overpaid for retirement funding; this would not be a bailout, but a refund of our overpayment. This could help us buy time to figure out how to solve these problems and become a more viable institution for many more years to come.

14) *Henry Charlot, Downtown Development District*

Mr. Charlot said that he came prepared to cite business statistics and why this would be a bad idea, but the preceding speakers had done a good job of that, so he would just like to add a few additional facts to help USPS reconsider its decision: DDD is the largest employment center in the state. There are 60,000 persons travel here everyday: workers at banks, law firms, etc., and visitors to the convention center in the downtown area. These are all users of the USPS services in the downtown area. The loss in convenience to these people will affect USPS' bottom line. Based on surveys he has done with business leaders, he feels that these people will move their business to private companies. The DDD cannot see how this will have a positive financial impact on the Postal Service. So as the Postal Service continues its analysis, the DDD would welcome the opportunity to provide USPS leaders with any help and support it can, such as statistics to demonstrate why this is a bad idea to move the plant from New Orleans.

15) *Genelle Davis, Distribution Clerk, TI*

Ms. Davis stated that she asked at the Townhall meeting in the plant if anyone could tell her why New Orleans was selected. No one answered her. It cannot be based on operational performance. She volunteered that in NO 807,467,551 pieces/day are run on the DBCS, to BR 434,807,483. NO is clearly running double. On the DIOS, New Orleans is running 104 million pieces to BR's 54 million. On the flat sorter, 51 million run in New Orleans, compared to 42 million in Baton Rouge. We are clearly processing more mail; we are the larger facility, why are we moving to Baton Rouge. The move makes no common or economic sense. Ms. Davis said that the managers we have now are from Texas and Baton Rouge, we don't know them, they don't introduce themselves – Mr. Gilbert included. Maybe they are tired and they want to go home! Before

Katrina, Ms. Davis reported that under other management (Mr. Watson, Mr. Dupuy and Mr. Handy), New Orleans was the #1 plant. We are open 24 hours a day, 7 days a week, and 365 days a year. She said hard workers like her are working 11 a night to 7:30 in the morning. She stated that she doesn't understand why currently there is no support from the management team to keep the plant open. All we are doing is running the mail up and down the highway. We send it to Baton Rouge, and they can't handle it and then they send it back. It's not fair for us to have to double work – to think the mail is gone and processed and then, lo and behold it is back again. Ms. Davis reported that NO sent mail to BR on the 29th and it came back and is now on the dock. That is delaying the mail. She invited Mr. Taylor to look on his dock and see what was there. If Baton Rouge can't handle it, then they need to come here. Management needs to come up with a feasible way to keep Baton Rouge open, because she would hate to see them forced to come here, also, and keep New Orleans going the way it's going.

16) *Renette Dejoie Hall, Executive Director, Louisiana Weekly Newspaper*

Ms. Hall would like to echo what Sheriff Gusman and others had said and join them in a request for the study on moving the mail from Baton Rouge to New Orleans. The study is not complete if it is only done one way. Ms. Hall felt that the economic progress of the city should be taken into account. She remarked that in Mr. Taylor's statement, he suggested that the mail's decline was due to online bill payment. She would suggest that the elderly population uses the PO. Ms. Hall also requests that USPS studies the online bill paying habits of BR versus NO. She stated that you will find that BR is a city that is trying to push USPS out of business.

17) *Eric Aubry, Mailhandler, T3*

Mr. Aubry stated that there is no transparency or clarity about this move. He reports that every employee in the plant is working 3 jobs each. We see the mail going up and down the highway, we see the mail not being prepared properly - this represents great inefficiency on management's part considering NO has to rework the mail returned from Baton Rouge. We are held accountable for our actions and our attendance. Mr. Aubry demanded that Mr. Boyd retract his statement to the Times Picayune in which he stated that the NO employees earn \$72,000 per year and that the New Orleans facility was smaller than Baton Rouge's facility. Both comments are incorrect. Mr. Boyd deliberately gave erroneous information. This is negligence.

Mr. Boyd also told the newspaper that BR processes more originating mail. Mr. Aubry stated that NO processes 240,000 more pieces originating mail daily than BR. Also, New Orleans serves 1.130 million people in the metro area and BR has only 700,000. Where did Mr. Boyd get his information? In BR, the mail service is just not as good.

Mr. Aubry expressed great dissatisfaction with the management. He stated that Mr. Romero, the plant manager, walks the workroom floor and does not speak to the employees. Managers in the past would talk to the employees and get ideas and get involved. The acting plant manager now walks around with

a guy with a clipboard following him and makes negative comments about the employees. Mr. Aubry stated that New Orleans' workers are very consistent. Mr. Aubry said if you check the records in Baton Rouge the work consistency is down and the sick leave rate has doubled since they are doing some of New Orleans' mail. I am asking you to look at what is right for the citizens of New Orleans. Mr. Aubry stated that this is not Texas and there are no Dallas Cowboys' fans here.

Mr. Aubry also wanted to let the politicians know that the New Orleans plant works over and above to deliver their political mail on time.

Mr. Aubry stated that we show up to work and are diligent in our duties, please keep us employed. He stated that the managers should put on jeans and come and work with the mail handlers to see what goes on and tell him if they work. There is not a clerk or mail handler that is not working 2 or 3 jobs. He said I'm pleading for you to look again at the survey. Look at the originating mail. Study moving Baton Rouge to here.

18) *Demetric Mercadel, Entergy Customer*

Ms. Mercadel would like to vote against the move to BR. She is responsible for many important mailings and delivers crucial mailings often as late as 8, 9, or 10:00 p.m. that need to be processed overnight. If New Orleans closes, she will have to drive the mail to Baton Rouge. That is how urgent it is. Closing the plant and ending next day service would harm Entergy. Also, Ms. Mercadel commented on how inconvenient it is to have branch Post Offices closed on Saturday to pick up packages, when that would be best for the customer. Please reconsider the move. Also, her mother is 74 and she mails her bills with a stamp.

19) *Wilbert Lodrig, Charbonnet Funeral Services*

Mr. Lodrig volunteered that his father is retired from the Postal Service. He was displeased with the community meeting, calling it a feel-good session to make the community feel that it had had a say in what is happening. He stated that this is already a done deal, made in a smoke-filled back room. You will go back to your boardroom and make the decision. He stated that it has nothing to do with balancing the budget or the financial study.

20) *Stanley Paige, Driver*

Mr. Paige stated they are currently doing a trial study on the weekends, breaking down the originating mail in the plant, and then the mail is supposed to be run by the 3 original contractors. This is not the case. The trips are being backed up by the MVS drivers. The system is being overburdened. Any savings projected to be saved in the move are presently being lost doing the study. They get the mail to Baton Rouge, and then they have to truck it back to New Orleans because they cannot work it in Baton Rouge.

In this region, Mr. Paige states, we have a lot of fog. There are only 2 entry ways into the city – I-10 and Hwy 61 (Airline Hwy). One accident between Sorrento and LaPlace (20 mile stretch) shuts everything down because there are

no exits. One hiccup in this area delays the entire process. Baton Rouge does not have the infrastructure to support this move. Large planes cannot go in because they cannot get out of BR. It seems more reasonable to bring BR to NO.

Mr. Paige believes that someone from HQ probably asked someone in this district for an opinion, but NO “has no dog in this hunt.” He is sure they are dedicated to the PO, but they are not from here or anywhere in Louisiana. You have no history or ties in our plant. Your argument or fight for NO is not there. We are fighting for our home. We have no one to speak for us. These studies just look into proximity. It makes more sense that the smaller plant would go into the larger plant. With the price of fuel today and the additional mileage, this is a losing proposition.

21) *Karen Payton, Distribution Clerk, Metairie*

Ms. Payton remarked that accountability and responsibility are very important, but they do not exist in the USPS which is equivalent to a fortune 500 company. A company this large should have transparency across the board. She suggested that to reduce costs by reducing employees, why start from the bottom? Why not consolidate managers? There are 204Bs crossing crafts without any education or knowledge of the craft position – this doesn’t make sense. Most managers dictate orders given to them by walkie-talkie and say do as I say, not as I do. These are not managers – but robots. The PO claims to be leaner and more efficient; however Ms. Payton questioned how this could be true. She recounted a situation where a truck driver came to the Metairie PO to deliver a ½ tray of mail. The mail carrier had already gone on the street. How is that efficient?

Customers are complaining about not being able to buy one stamp since the vending machines were removed. How is that responding to customer needs? The clerks are not educated enough on the products to be able to sell them. Most clerks have no access to computers to learn about the products. You receive a piece of paper with descriptions and must sell using that. Employees at Dollar General have access to computers. If employees don’t know what they are selling and don’t use them themselves, how can they sell to customers? Employees will follow if managers would lead by example. Ms Payton reports that she has listened to the conference calls lead by management and they should be ashamed of themselves and the foul language they use towards one another. Managers are profane to one another. You should take a survey of skills and employees with degrees that are in the PO, who have education and things to offer. Mr. Taylor had a Townhall meeting and met with the managers. After he left, everything went out of the window. We need to come together – one nation, one team, one together. She challenges Mr. Taylor to come to Metairie unexpectedly to see what goes on. To be successful, you need a good leader. Where are ours?

22) *Rev. Dwight Webster, Ph.D., Christian Unity Baptist Church*

Rev. Webster said that he would like to cosign all comments that had gone before and add what has not been mentioned – postal workers and their families will be adversely affected, that when you take jobs, you take hope, then life, and then you relegate everyone to the nihilism and hopelessness. His organization

and others like him will have to service those affected. In urban areas when jobs are taken away crime takes their place. Postal workers are educated, competent, prepared members of society. They are some of the best people prepared to lead community activism. What no one has mentioned is that in New Orleans, the greatest number of those affected would be those with the greatest amount of melanin in their skins – Blacks! Not just financial and economic capital, but spiritual and social capital must be considered. It is essential for postal people in New Orleans to maintain their jobs so that young people in the city look forward to postal jobs after those now retire. Young people will feel they have alternatives like delivering mail and management positions. Rev. Webster wholeheartedly endorses and supports keeping the NO P&DC in New Orleans. It would be unconscionable to take away these jobs from this community when the numbers do not even support it.

23) *Jewel Cannon, USPS employee*

Mr. Cannon demanded an answer to his question: Why is the Baton Rouge not being moved here? (Mr. Taylor said the decisions are top-down from HQ to us.) After Katrina, people were moved to BR, the numbers were not good. BR is a smaller facility, how can you fit the people and the machines? Also, how could he state that employees make \$72,000/year? (Mr. Boyd responded that statistically, including benefits, that is what processing employees make.) What do HQ employees make? Are you aware that there facility is smaller? Why did you say NO can't handle the mail volume? Mr. Cannon said that most of the BR people are not in processing, but don't want to leave their jobs there. New Orleans people struggled to come back to their city, not Baton Rouge. We fought to return here. It doesn't seem right that we would be forced to go to BR. Bring them here and we will show them how it is done.

24) *Ted Patterson, President of LA APWU*

Mr. Patterson explained to the attendees that the only way this consolidation can work is if the service standards are changed. He said it is a proven fact that the mail cannot be done the way they are saying. The mail keeps coming back from Baton Rouge, unworked. The dock is overloaded, conditions are unsafe. The study is unfair and being slanted to BR. The data being sent to SWA is being falsified. He invited Mr. Taylor to come on the dock and see the mail backed up. Please don't close our plant.

25) *Kathleen Lucien, USPS employee*

Ms. Lucien asked for clarification concerning the \$72,000 salary reported by Mr. Boyd. He explained that it was salary and fringe benefits. Ms. Lucien felt that he should retract that statement due to the backlash employees have experienced. Mr. Boyd also said he would take another look at the data about the area of the NO vs. BR plant. Worked in BR after Katrina, they cannot hold as much mail as NO, and their dock is smaller.

Ms. Lucien remarked that one of the main problems in NO is that there is no management stability whatsoever. She calls them the "Clipboard Club" – it is

like a revolving door. Managers use NO to enhance their 991. When there is no stability – there is failure. She stated that the PO had a motto: “Right the First Time.” Now, when employees see the mail going through the wrong operations and you try to tell a manager they send you home. “Well, we are home.”

26) *Brandy Mitchell, USPS employee*

Ms. Mitchell started working in BR after Katrina. She reports that she witnessed first-hand that they could not handle the NO mail. She was just excessed 2 years ago from BR to NO. Now she may have to go back. It seems to her that the USPS makes decisions for Tuesday and not next Tuesday. The travel to BR creates a hardship. It takes 4 hours on a bus, or you pay extravagant costs for fuel, or wear on your car. She will punch in wherever she has to, but she doesn't need another disaster after a disaster. She is begging – please review this study. She worked there and doesn't see any way this could work.

27) *Gail Stemley, USPS employee*

Ms. Stemley stated that she is confused, she worked in BR after Katrina, and this reminds her of when they tried to steal the Saints from the city. She experienced the hardship of driving from here to there. This is her home, her post office, and our post office. She cannot go back to BR. This is not right.

28) *Walter Miles, USPS, Statistical Programs employee*

Mr. Miles stated that the statistics do not make any sense. Savings of \$4 million is not accurate or significant. In addition, you won't save employee expenses because people will be sitting here doing nothing on standby time. Transportation is losing \$700,000. The numbers on this study don't jive.

29) *Michael Raceo, Occupy NOLA*

Mr. Raceo moved to New Orleans in February, 2011. It has always been his dream to live here since he was 10 years old. He stated that the problem with this move is that it would take away jobs from people – the first thing that corporations want to do to save money. If they take these now, they will take a lot of others. “Stop it! Stop it!” he exclaimed.

30) *Michael Burrus, APWU Vice-President*

Mr. Burrus suggested that we discontinue customer discounts for large mailers. He felt that they are continuing to make money while we lose money, so discontinue the discounts or decrease them.

V. Adjournment

Jeffery Taylor, District Manager, adjourned the meeting at 8:30 p.m.

Minutes submitted by: Renette M. Dominick

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CITY OF NEW ORLEANS INTERROGATORY**

CNO/USPS-4

Please describe the decision making process for consolidation and closures associated with the proposed Mail Processing Network Rationalization Service Changes, including the involvement by and interaction among (1) the US Postal Service executive leadership team, (2) the Postal Service Board of Governors, and (3) the Postal Regulatory Commission.

RESPONSE

Please review USPS Library Reference N2012-1/3, which reflects the internal Postal Service decision-making process for facility-specific Area Mail Processing consolidations. The overall consolidation initiative was submitted by the USPS ELT to the USPS Board of Governors, which authorized the filing of the request in this docket for an advisory opinion. The Postal Regulatory Commission has no role in deciding whether mail processing plants are consolidated or closed. However, the Commission responds to requests for advisory opinions from the Postal Service regarding substantially nationwide changes in the nature of postal services (that might be associated with network consolidations and closures).